

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ADJUSTMENT OF RATES)	
OF AUXIER ROAD GAS)	CASE NO. 2005-00353
COMPANY, INC.)	

ORDER

On April 10, 1991, in Case Nos. 10288-D and 10288-E, the Commission approved the Gas Cost Adjustment (“GCA”) Clause of Auxier Road Gas Company, Inc. (“Auxier”) allowing for the quarterly adjustment of its rates.¹

On September 1, 2005, Auxier filed its proposed GCA to be effective October 1, 2005.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Auxier’s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Auxier’s Expected Gas Cost (“EGC”) is \$12.1591 per Mcf, \$4.1140 per Mcf more than the prior EGC of \$8.0451.
3. Auxier’s notice sets out no current refund adjustment.
4. Auxier’s notice sets out a current quarter actual adjustment (“AA”) of (18.93) cents per Mcf. Auxier’s notice sets out a total AA of (95.37) cents per Mcf, an increase of 7.27 cents per Mcf from the previous total AA.

¹ Case No. 10288-D and 10288-E, Notice of Purchased Gas Adjustment Filing of Auxier Road Gas Company, Inc., Order dated April 10, 1991.

5. Auxier's notice sets out a current quarter balance adjustment ("BA") of (1.1) cent per Mcf. Auxier's notice sets out a total BA of 7.49 cents per Mcf, which is an increase of 9.3 cents per Mcf from the previous total BA.

6. Auxier's gas cost recovery rate is \$11.2803 per Mcf, which is \$4.2797 more than the previous rate of \$7.0006 per Mcf.

7. The rates in the Appendix to this Order are fair, just and reasonable, and should be approved for billing for service rendered by Auxier on and after October 1, 2005.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after October 1, 2005.

2. Within 20 days of the date of this Order, Auxier shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 22nd day of September, 2005.

By the Commission

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2005-00353 DATED

The following rates and charges are prescribed for the customers served by Auxier Road Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First Mcf (Minimum Bill)	\$ 5.11	\$11.2803	\$16.3903
All Over 1 Mcf	\$ 4.2599	\$11.2803	\$15.5402

SUMMARY OF PURCHASED GAS ADJUSTMENT FILING
for Auxier Road Gas Company, Inc.

Case No.: 2005-00353
Filing Date: September 1, 2005
Proposed Effective Date: October 1, 2005
Approved Effective Date: October 1, 2005

Wholesale Gas Suppliers: Equitable Resources, Constellation Energy, Aei-Kaars
Drilling, CBS/Evans Energy, Columbia NR

Wholesale cost: Increased \$4.1140 per Mcf
Retail rate: Increased \$4.2797 per Mcf

Gas Cost Adjustment Components:

Expected Gas Cost	\$ 12.1591
Refund Adjustment	-----
Actual Adjustment	(.9537)
Balancing Adjustment	<u>.0749</u>
Gas Cost Adjustment	\$11.2803

Prepared by: Dawn McGee

Date: September 14, 2005